Ltd.'s basic services, based on WLL technology, and mobile services of Nepal Telecom remained suspended.

2. Subsequently, United Telecom Ltd. (UTL) was allowed to resume its services on March 18, 2005 for those customers who had re-registered and had been cleared by His Majesty's Government of Nepal (HMGN). UTL was, however, instructed not to offer new connections and also block services to a number of its customers, including corporate clients. Nepal Telecom's mobile services remain suspended.

3. Government of India is concerned that the restrictions on UTL's operations can affect the financial viability of this Indian joint venture. We have taken up this issue at all appropriate levels in HMGN. We have conveyed to HMGN that inability of UTL, which is one of the largest foreign investments in Nepal, to operate in accordance with its license conditions could undermine confidence of foreign investors, including from India, with attendant implications on fresh investments in Nepal. This, in turn, could also impact on bilateral trade, since Indian joint ventures in Nepal are important contributors to Nepal's foreign trade.

4. HMGN has conveyed to us that the earlier temporary suspension of services and the current restrictions are due to security concerns relating to insurgency in Nepal and has assured that UTL will be in a position to start providing new connections and resuming services to a number of corporate clients within a short time.

Pacts of Nepal with Pakistan and China

3776. SHRI TARIQ ANWAR: Will the Minister of EXTERNAL AFFAIRS be pleased to state :

(a) whether it is fact that Nepal proposes to have the pacts with Pakistan and China after the recent change of political situations in Nepal;

(b) if so, the details thereof; and

(c) Government's reactions thereto?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI E. AHAMMED): (a) Government of India is not aware of any proposal regarding pacts between Nepal and Pakistan or China after the recent political developments in the country.

(b) and (c) Do not arise.